Purchase of Drugs for TB and Leprosy Programmes

4579. PROF. C. LAKSHMANNA

SHRI CHITTA BASU : Will the Minister of INDUSTRY be pleased to state:

(a) what rates of bulk drugs Rifampicin and Ethambutol were taken into consideration while finalising rate contract for these drugs during 1987-88;

(b) whether it is a fact that one or two companies have monopolised the sales of these drugs;

(c) whether it is a fact that the import content per kg. of production of Rifampicin is $ 209 whereas the import price of Rifampicin is $ 140 kg., and

(d) the reasons for which imports have been discontinued without changes in policy to support over-invoicing and justify purchases at a high price?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) The High Power Committee of the Director General of Supplies and Disposal finalises the rate contract for purchase of drugs.

(b) No specific information is available in this Department.

(c) and (d) The import content of Rifampicin per kg. was about Rs. 2437.80 when the price was fixed in January, 1987. The import content of Ethambutol per kg. was about Rs. 480.04 per kg. when the price was fixed in August, 1988. International prices of bulk drugs and intermediates fluctuate widely from time to time. No specific instance of over invoicing has come to the notices of my Ministry.

Marketing of Valporic Acid

4580. DR. RATNAKAR PANDEY: Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 677 given in the Rajya Sabha on 2nd May, 1988 and state :

(a) whether there is any drug under the name Valporic Acid cleared for use in India;

(b) if so, who is producing this drug or its formulations in the country;

(c) on what basis it has been included in the list of drugs recommended for price control by the Kelkar Committee;

(d) what is the status of Category-II formulations which are produced by small scale sector units and marketed by organised sector units; and

(e) what are the provisions in the new policy relating to trading activity of organised sector units in respect of formulations produced by small scale sector?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO):

(a) No, Sir.

(b) Does not arise.

(c) Kelkar Committee has recommended the referred drug on basis of its inclusion in WHO's list.

(d) and (e) Category II formulations produced by SSI units but marketed by Organised Sector units are not exempted from Price Control under DPCO, 1987.

Import of Bulk Drugs

4581. Dr. (SHRIMATI) NAJMA HEPTULLA : Will the Ministry of INDUSTRY be pleased to refer to the answer to unstarred Question 3274 given in the Rajya Sabha on 22nd August, 1988 and state:

(a) the names of the scheduled imported bulk drugs the prices of which were fixed on the recommendations of BICP under Drugs Price Control Order, 1979;

(b) whether it is a fact that under provision 6 of DPCO, 1979 every importer of scheduled bulk drugs had to apply for Price fixation;

(c) whether it is a fact that his Ministry did not fix any price of imorted bulk drugs and allowed the importers to overcharge;

(d) whether it is also a fact that a number of formulators consumed such drugs after getting them imported from their principals or associates;

(e) whether it is a fact that such transactions encouraged over-invoicing and inflation of prices;

(f) whether it is also a fact that his Ministry did not recover the overcharged amount from any of the importers under the provisions; and

(g) if so, what type of monitoring and implementation of control order is done?

THE MINISTER OF INDUSTRY (SHRI J. VENGALA RAO): (a) The prices of bulk drugs included in Category I, II & III of DPCO, 1979 whether imported or indigenously manufactured were fixed under DPCO, 1979 based on the recommendations of BICP.

(b) Yes, Sir.

(c) No, Sir.

(d) and (e) No such specific instances have come to the notice of this Ministry.

(f) and (g) In view of the replies to parts (c) to (e), do not arise.

Exemption from Price Control

4582. PROF. C. LAKSHMANNA Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 3288 given in the Rajya Sabha on the 22nd August, 1988 and state:

(a) whether it is a fact that the Kelkar Committee in its report did not give exclusion criteria which a drug fulfils for exemption from price control; and

(b) if so, what is the exclusion criteria fulfilled by Isoxuprine HCl, Polymixin-B-sulphate, Flucort, Phenformin, Durabolin, Avapyrazone Pancretin and Glipizide out of the five criteria referred to therein?